

Acquisition Reform Success Story

F-15 Very High Speed Integrated Computer (VHSIC)

Program Manager: Col Jack Hudson
Program Executive Officer: M Gen Robert F. Raggio
Contractor: Lockheed-Martin Federal Systems Division
Contractor PM: Roger Il Grande

Program Description

The F-15 very high speed integrated computer is the central computer that operates many of the major systems of the aircraft. It is the heart of the aircraft because it handles all of the avionics, fire control, navigation, flight control, computations and flight information data, ejection controls, air to air system and altitude and speed. It is the brains of the aircraft because all of the other computers hook into the VHSIC for validation of independent calculations.

How Streaming Made a Difference

The VHSIC team implemented a more efficient, streamlined acquisition process which is less costly to both the government and the customer. This process was implemented on the negotiation and award of three contracts for the F-15 VHSIC for the Royal Saudi Air Force (RSAF), the Israeli Air Force (IAF) and the U.S. Air Force (USAF). All three contracts were awarded to the Lockheed -Martin Federal Systems in Owego, New York.

The improved process evolved from the short need date of the FMS customers, rather than from a fundamental decision. In order to meet these need dates, the team members initiated early industry and government field team involvement in order to award the contracts in the shortest time frames possible.

The team was empowered by the Director of the F-15 System Program Office, Col William Rutley. The primary tool of the team was communication or more commonly known as early industry involvement (EII). The WR-ALC team encouraged full participation from the Government field teams from the beginning, treating them as a full partner in the negotiation. The open communication contributed to an atmosphere where the contractor and government teams jointly agreed to share all of the information; for example a joint document list was developed and worked from by both teams. Flexibility was important as well. By involving the government field teams in the initial meetings with the contractor, they were not bound by a written report, and were able to adjust their positions as new information or data was provided by the contractor. Many issues were addressed and resolved prior to reaching the negotiation table. The open communications also resulted in increased trust between the Government and the contractor, as the contractor incorporated government recommendations into their final proposals and offers. The savings were greater than expected in both time and money. Savings totaled over \$4.5 million dollars over prior contract prices and contracting lead time was reduced from an average of 162 days to 54 days or approximately one third the normal time required. An added benefit was that we were able to use the Government Field personnel (such as DCAA and DCMC) in a much more effective manner. They were pleased that they were included in the up-front planning of the acquisitions and that the WRALC/LFKA team was able to incorporate and sustain their recommendations in the final unit prices, which reflected large reductions over previous history. The process lends itself to other contracting actions for replication. EII will streamline the acquisition process if pursued aggressively by Government and contractor personnel alike.

Measure	From	To
Program Savings	\$4.5M(act)	\$6.0M (est)
Acquisition Time	162 days	54 days

Bottom line: The F-15 VHSIC team aggressively initiated new contracting techniques for the SPO which incorporated early industry involvement (doing it *better*). The total acquisition time was reduced by two thirds (doing it *faster*). The total cost to the Government for the VHSIC was reduced by \$4.5 million dollars savings to date (doing it *cheaper*) with expected savings on future buys to be at least another \$1.5M (for a total of \$6.0M).

